
National Credit Union Administration

*Marketing Tips, Techniques and Tools for
Credit Unions with Limited Resources*

Office of Small Credit Union Initiatives

Marketing Tips, Techniques and Tools for Credit Unions with Limited Resources • July 2013

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Introduction

By their very nature, every credit union is unique. Sure, small faith-based credit unions share some common traits, as do credit unions with a similar employer-based field of membership. But each credit union has its own unique characteristics, product and service offerings, member demographics, and challenges. Accordingly, there is no one-size-fits-all approach to market your products and services. Rather, credit union officials must first consider their membership base, member demographics, the local environment, and other characteristics that make up the uniqueness of their credit union when creating an effective individualized marketing strategy and plan.

This booklet was designed to spark ideas and help you create an effective marketing plan and strategy for your credit union.

NCUA's Office of Small Credit Union Initiatives would like to thank Economic Development Specialist Manager Victor Costa and Economic Development Specialists Ronald Jones and Malia Peel for developing this guide.

Member Relationship Management

Know Your Members and Potential Members

“Know your member” is the first rule of credit union marketing. The starting point of creating an effective marketing plan involves developing an in-depth knowledge of your member base in order to determine how to reach them effectively. Think of it like this, when traveling to another country the best way to communicate would be in the language most commonly spoken in that country. The same applies with marketing. You must “speak the language” (or languages) of your members and potential members to effectively reach them.

Knowing your member includes understanding the demographics of your membership such as age, income and education level (your data processor may have the capability to compile and report on member demographics), then using that information when marketing your products and services. To “know your member” also means understanding the person in terms of the season of their life. A 50-year old is usually not a former version of their 25-year old self. The technique used to reach a 25-year old may not work with the 50-year old, as generally they have different needs and desires. You may have to employ a different technique or appeal to a different need when trying to reach each of these groups. Members expect information tailored to their age group and there is value in meeting that expectation.

The Illinois Credit Union League’s Small Credit Union Development Office recommends credit unions take into account the local market considerations outlined in the chart below when marketing to young, underserved and immigrant populations.

Category	Consideration
Youth	Young adults aren’t reading papers, newsletters or using the traditional channels credit unions use to get information out. There’s still a value in direct mail aimed at parents. It’s still one of the most effective channels, and lets you leverage the trust you have with parents to present new products, with messages like, “Look what we have for your child.” That built-in connection is still one of credit unions most powerful assets. Credit unions are also advised to have an attractive, interactive website along with incentives and contests, community partnerships, in-school branches and financial education to help get your members’ attention. Also, credit unions have to show young people that they’re convenient and have the products they want. The best way to stay relevant is to have young adults putting together campaigns – credit unions should have a youth infusion (volunteer or staff as part of the credit union team). Investigate hosting a college intern!
Underserved	Low wealth households lack the financial resources to help them through income disruptions or financial emergencies. They are asset poor. Given the state of the national economy, many more are joining the ranks of low wealth each day. Reaching out to these households means offering affordable financial products and opportunities to build wealth. It may mean offering non-traditional products such as alternatives to payday loans, credit builder programs, and small savers products. It could also mean partnering with community organizations to provide Volunteer Income Tax Assistance (VITA) services, Individual Development Accounts (IDAs) programs, micro-business loans and financial education.
Immigrants	The immigrant population in the U.S. is rapidly growing and represents a market opportunity that includes families, small business operators, skilled artisans, laborers, professionals and others who value home ownership and need credit union services to help make their dreams a reality. Obviously, the goal isn’t just to sell credit union products. Credit unions need to build long lasting member relationships in the immigrant marketplace based on specially designed services, developed trust and member loyalty.

Generational Marketing

The days of printed mass market messaging are just about over! A single flashy brochure simply does not cut it. Effective marketing today relies on a customized approach based on generational factors and members' season of life. Most likely you are serving several different generations in various seasons of life. Generational marketing involves appealing to each generation's unique characteristic and mindset. Effectively reaching the typical member of one generation may involve a hard copy of a brochure – a marketing message that may not appeal to the typical member of a younger generation who may respond more favorably to messages delivered electronically. Give your credit union a competitive advantage by acknowledging and using generational factors when designing your marketing messages.

But Knowing your Member is NOT Enough!

The Internet has proven to be a game changer as far as marketing is concerned. Credit unions can no longer control information about themselves and their products. In the past, members had limited recourse when a credit union displeased them. They could tell a few friends, but the sphere of impact was in no way as wide as it is today. The advent of the Internet changed the rules of engagement. Member testimonials ultimately have greater power to influence other members and potential members. So effectively, members may now have a high degree of control; boastful advertising just cannot compete with tales of real life experiences told online by members.

Today, monitoring and managing your online presence is crucial to maintaining a competitive advantage. The ability to deliver marketing messages, interact with members, and facilitate information sharing about your credit union 24–7 at the member's convenience is invaluable and coming increasingly the standard.

Basic Marketing Tips and Techniques

Tool 1 – Marketing Tips and Techniques (attached) provided by the Illinois Credit Union League’s Office of Small Credit Union Development includes guidance to help you develop your marketing plan. Below are additional tips and techniques:

- Conduct a member survey to determine member and potential member needs. Consider holding a raffle to boost your response rate.
- Offer education seminars. Invite the public and show them you know your stuff. By giving members the tools to better arm themselves with financial knowledge, they’ll be more confident and you’ll win their loyalty.
- Create a marketing calendar. Use Tool 2 (attached) as a guide.
- Evaluate the competition. Use Tool 3 (attached) to document your evaluation.
- Setting measurable marketing goals is especially important. You can’t manage what you can’t measure. Also, measuring a marketing campaign’s return on investment helps determine if the cost was worth the resources spent to achieve the results.
- Understand your employees are your best ambassadors. Having an articulate and informed employee base is essential to the success of your credit union. Special perks, incentive programs, professional opportunities, and educational seminars are just a few of the many ways to enhance the work environment and achieve unity among employees.
- Develop written sales/cross-selling programs and expectations for credit union staff and volunteers.
- Investigate “hiring” a low-cost or no cost college intern to lead a marketing campaign. NCUA periodically offers student internship grants to low-income designated credit unions.
- Become respected in the community by offering consumer driven material that educates members and potential members.
- Establish and maintain a good working relationship with the local media. Get to know the reporters and make sure they know you and your credit union. Provide them a point of contact at the credit union for information inquiries, an interview, or video. Provide them positive stories relating to community impact made by way of your credit union’s service. If possible, tie your story to a trend or item of local interest.
- Consider offering free or low cost convenience products/services such as postage stamps and gift cards to members and potential members.
- Develop a new member brochure to advertise your products and services, include a bi-lingual version, if necessary.

Marketing to Encourage Loan Growth

First and foremost make sure you have the loan products at rates and terms your members desire and that are profitable to your credit union. When introducing new loan products begin by taking small steps, consider costs and confirm adequate staffing levels. Make getting a loan an easy process for your member. Below are additional low or no-cost tips to encourage loan growth:

- Streamline the loan approval and disbursement process.
- Consider online or phone loan applications.
- Establish loan specials, Tool 2 – Marketing Calendar (attached) includes suggestions for monthly loan specials.
- Learn how to market against low and zero percent auto financing by sharing with your members some of the following facts and potential restrictions often apply to these financing programs:
 - A perfect credit rating is usually needed to qualify for zero percent interest on car loans. Only a small percentage of all car buyers qualify for zero percent financing.
 - Zero percent financing usually means the terms of the loan will be shorter and the monthly payment larger.
 - Members may be limited in their vehicle choices. Zero percent rates are usually offered only on select models.
 - In order to get zero percent financing the member may have to forfeit a manufacturer's rebate.
 - Even if a member qualifies for zero percent financing, sellers often make up for the lost finance charge by increasing the overall price of the vehicle.
- Use member testimonials in all aspects of your marketing campaign.
- Implement risk-based lending to meet the needs of members with good credit as well as those with credit challenges.
- Consider generational marketing techniques:
 - Market to mid-life members by making marketing more visual and emotional
 - Market to young adults by speaking in terms of facts, figures, quantifiable benefits and a little good old-fashioned peer pressure
- Include a loan application or refer to your online loan application with any loan marketing.
- Offer financial education/literacy classes linked to your loan products.

- Encourage tellers and loan officers to cross-sell products at every touch point with the member.
- Keep an eye on your competition to ensure your loan terms are favorable while remaining profitable.

Marketing to Encourage Member and Share Growth

Marketing to encourage member and share growth depends in large part on your field of membership. A well-placed billboard in the middle of the community may generate membership growth for a community-chartered credit union, but may not do much for a credit union with a single sponsored-employee group field of membership.

Simply making your products and services more convenient and available can increase your credit union's membership penetration. If your membership base is widespread, consider taking the credit union to the members through satellite and branch offices, or even a mobile branch.

Marketing to Current and Potential Select Employee Groups

Existing and new select employee group relationships provide a convenient, cost effective vehicle to drive new member growth. An effective select employee group strategy will not only help grow product penetration, it will also build member loyalty among your targeted demographic. Tool 4 (attached) is a select employee group contact document that can be used to maintain a record of important information regarding select employee groups. When marketing to select employee groups:

- Determine what type of occupational groups are a good fit for the credit union.
- Develop criteria (number of employees, location, age of company, etc.) for potential select employee groups.
- Identify successful select employee groups in the current field of membership and develop relationships with like companies.
- Develop a select employee group marketing packet including a membership application and list of products and services.
- Establish methods of communication to convey credit union benefits to potential members of new select employee groups.
- Create marketing posters tailored to the new group.
- Consider a satellite office to bring the credit union to the new group.
- Use paycheck stuffers.
- Place credit union articles and advertisements in the select employee group's newsletter.

- Establish a presence on the select employee group's internal website with an intranet link to the credit union website.
- Develop a "Select Employee Group of the Year" award program based on measurable criteria such as loan, membership and share growth.
- Let existing select employee groups know how the credit union is doing and how they are contributing to the credit union's growth.
- Consider appreciation gifts and other incentives for strong select employee groups.

Marketing to Single Sponsor Organizations

Forge strong working relationships with the decision makers at the sponsor organization, so the sponsor clearly views the credit union as a benefit it offers employees. Establish a working relationship with the human resources department and ask them to invite you to new employee orientations, and other events. Provide new employees a credit union orientation packet that introduces your products and services and explains how the new employee can join the credit union. Get approval to use interoffice or interplant mailing systems to send marketing and promotional materials to all employees.

Reach out to associational groups periodically, attend board and membership meetings to promote the credit union and distribute marketing materials. Consider co-sponsoring some of the groups' events, such as dinners or fundraisers.

Refer to Tools 5, 6 and 7 (attached) which contain sample sponsor marketing letters.

Marketing to the Community

Do something to draw positive attention to the credit union and make it stand out from the rest such as:

- Offering financial education and financial literacy programs in local schools to attract youth (your future borrowers).
- Forging excellent relationships with school superintendents and principals, which may permit a credit union branch or satellite office in the school.
- Consider sponsoring local youth sports teams, and have the credit union name placed on their jerseys.
- Participating in special events in the community such as open houses, ribbon cuttings, trade shows, etc.
- Joining the local chamber of commerce and participating in their activities.

Social Media Marketing

Social media is a powerful tool for credit unions to reach their current and prospective members. According to a recent study from *Cloud Communications*, roughly 800 million consumers spend nearly four hours per week on Facebook, and according to Twitter, their subscribers send over 140 million “tweets” per day. Other social media platforms like Google+, LinkedIn and Pinterest are growing exponentially.

Social media has been embraced by young demographic groups, making a fertile area for finding, engaging and acquiring future credit union members. With the average age of credit union members past the peak borrowing age, credit unions must begin attracting younger members in greater numbers to survive. This means credit unions adopting new technologies like Facebook, Twitter, YouTube and other outreach tools, to ensure they are engaging with this group where they most frequent.

Defining Social Media Marketing

Social media marketing is defined by consultant firm, *Marketing Pilgrim's*, as a form of Internet marketing that implements various social media networks in order to achieve marketing and branding goals. Social media marketing primarily covers activities involving social sharing of content, videos and images for marketing purposes.

Elements of a Social Media Marketing Strategy

Social media marketing is more than having a Facebook page. For credit unions, it is a critical component to an overall communication and marketing strategy. It is important that this strategy be committed to writing with clear goals and measurements for success. To begin, credit unions must define, through analysis, trends with their target audience.

The analysis section defines your credit union’s target audience and trends. Once target audience trends are identified, a social media marketing plan should be developed to include the following elements:

Target Audiences: Your target audience is your current and potential members, who should be described in detail. Particularly, the demographics, activities, behavior and the social communities (platforms groups) where your credit union’s target audience(s) interacts, shares information and makes recommendations.

Target Market Trends: Insight in the trends that are emerging within your credit union’s social media target audience. This includes identifying the social media platforms they are migrating to, understanding how their interaction is changing and how this is going to affect the relationships of the credit union.

Key Business Objectives

The most important thing for credit unions to do before charting out a social media marketing strategy is to consider its business goals and where social media can have the most significant impact. The consulting firm, *Outsourced Management Inc.*, suggests concentrating on three key objectives:

Member Acquisition: A key to success is leveraging existing “fans” of your credit union to share their positive experiences on their social network. Experts suggest focusing your social media outreach toward young professionals and young families making significant financial decisions—some of them for the first time.

These cohorts are most likely to turn to their social media networks when seeking financial advice. Reach this audience by offering expert advice and delivering value through cross-promotions. Provide them with information on where to open a checking account without fees, how to save for their kid’s college education, or where to get the best rate on a loan for their first home.

Community Engagement: You can build stronger member relationships using social media by focusing on your community participation. For example, if you sponsor a community event, build a Facebook event page to provide a central hub for participants to share stories and photos, and invite others to join.

With the proactive use of a Facebook event page, a credit union can encourage participation and engender your organization to the community in ways that are simply not possible without a social media presence.

Member Service: One of the best ways to use social media is to enhance member services. For example, Twitter is an ideal platform to help members by providing quick responses to general questions about their accounts and the services your credit union provides. Many credit unions also tweet information about service hours, loan programs and other information of interest to members.

Social Media Marketing Plan

When executing a social media program, credit unions should develop a plan that includes the following:

Social Media Benchmarks: The plan needs to establish benchmarks for measuring success and provide direction for social media messaging, visual channel design and layout, copywriting and geographic focus.

Social Media Technologies and Platforms: Social media marketing is all about targeting the right audiences and the right social media channels. Describe the selection and characteristics of the social media platforms that will generate maximum visibility, reach and return on investment, and are most appropriate for successful execution of the customer’s Social Media Marketing plan.

Creative Content Development: List the content that will be developed for each of your social media platforms. This may include custom landing page development for the Facebook Page, video production for the YouTube Channel or blog posts for content marketing.

Cross-Channel Integration: Describe the work that is required to facilitate inter-operability between the social media network channels that are part of the campaign mix.

Integration with Traditional Online Marketing: Regardless of the credit union's products and services, a social media marketing campaign must be an integral part of the overall online marketing plan. So clearly illustrate how the social media marketing plan integrates with traditional online marketing activities.

Social Media Management and Support: Describe the campaign monitoring and measuring strategy, the tools and methodologies that will be used to determine the performance of your credit union. Much of this data is easily available to you by looking at your profile's statistics and through various social monitoring tools.

Resource Planning: Detail the cost and resources required to implement and succeed with your credit union's social media plan.

Social Media and Web Analytics Tools

To determine the effectiveness of your credit union's social media marketing strategy, you need to gather and analyze data during the launch, management and optimization of your social program. There are a number of free and paid resources that can help monitor and track these metrics to ensure it's working and reaching your credit union's overall targets. Highlighted below are a few to get your credit union started in the right direction.

- **Google Alerts** ([google.com/alerts](https://www.google.com/alerts)): Google alerts monitor your targeted keywords, and provide alerts whenever they are used online. Simply enter in your keyword or phrase and choose the type of results you want (news, blogs, video discussions, books or all). Also include the frequency and method that you'd like to receive these alerts, either in your inbox, or within your RSS (Rich Site Summary) reader.
- **Google Analytics** (www.google.com/analytics): Google Analytics shows the information and content that people are seeking as well as lends insight into the effectiveness of an organization's website. Certain measurements can also be tracked such as: visitors/unique visitors, demographics and traffic sources to name a few.
- **Google Adwords** (adwords.google.com): With Google Adwords, if people use certain keywords you have preselected in their search for specific products or services, your ad appears next to or above Google search results. You will get more customers visiting your page if they click on your ad.

- **SocialMention** (socialmention.com): SocialMention monitors and analyzes different keywords and phrases across many social media platforms. Similar to Google Alerts, you specify your chosen terms and SocialMention gives you the results from the various social media platforms. Unlike Google Alerts, SocialMention also analyzes:
 - The sentiment of the keyword;
 - The outreach - the estimated number of potential customers you can touch through an advertising medium or that are exposed to your message
 - The average number of days between mentions;
 - Top keywords;
 - Top users; and
 - Top hashtags
- **Twilert** (twilert.com): Twilert is a free web-based application that allows you to receive email updates when the keywords you choose are mentioned or discussed on Twitter. Going beyond searching hashtags and mentions, Twilert scans each and every tweet searching for your specific keyword. You can set it up to scan and notify you as often as you like.
- **Facebook Insights** (facebook.com): This dashboard gives you analytical data related to your Facebook page so that you can track growth rates, and user interactions. Use Insights to better understand your followers and reach the right audience.
- **Tweetdeck and Hootsuite** (tweetdeck.com and hootsuite.com): Tweetdeck (desktop application) and Hootsuite (social media monitoring tool) are two very widely used tools for monitoring your social media mentions and discussions. These two tools, allow you to monitor different accounts at once, including different Twitter accounts, Facebook accounts, LinkedIn and more. They also make it very simple to monitor your mentions, direct messages, different search terms, trending topics, and others – all from within the same platform.

Another useful function is that both have dashboards that allow you to schedule your tweets in advance.

Other Social Media Tools Available

- Netvibes (www.netvibes.com/)
- Social Oomph (www.socialloomph.com/)
- TweetStats (www.tweetstats.com)
- Sprout Social (<https://sproutsocial.com>)
- Alterian (www.alterian.com/)
- Radian6 (www.radian6.com/)

Tool 1 - Marketing Tips and Techniques

Best Practices	
<input type="checkbox"/>	Define your niche! Know your members, focus on what you do best, and do it better than your competitors do. Have a good understanding of what you are providing and what your members are buying and using.
<input type="checkbox"/>	Name a Marketing Committee, and develop a policy and meet regularly. Your budget should always include a reasonable amount delegated to marketing each month.
<input type="checkbox"/>	Have a goal! Know what you want to accomplish before you start planning your marketing strategies. Develop a marketing calendar (see Tool 2).
<input type="checkbox"/>	Plan for a different promotion each month to help you reach your members.
<input type="checkbox"/>	Offer new-member coupon, giveaway or raffle. Consider scratch off coupons with instant prizes.
<input type="checkbox"/>	Develop a member referral promotion, give gift cards to members who bring in X number of members.
<input type="checkbox"/>	Consider expanding the products and services you offer such as offering international remittances, participating in free tax preparation services, reaching out to the unbanked.
<input type="checkbox"/>	Review other financial institution's promotions to gather ideas. What would appeal to your members? Print t-shirts listing your website.
<input type="checkbox"/>	Develop loan programs where decisions are made within hours. Connect working families to powerful tax benefits and put money back into their pockets and the community.
<input type="checkbox"/>	Create a cross-selling incentive program for staff. Consider alternatives such as selling by phone.
Publicity	
<input type="checkbox"/>	Tell the credit union story! Write a press release describing something special about your credit union – send to your local newspaper.
<input type="checkbox"/>	Develop a website, start a blog. Mount a suggestion box for members. Develop a member survey.
<input type="checkbox"/>	Develop newsletters, brochures, stuffers, posters, include testimonials. Use a “take me” receptacle for brochures in your lobby and employer lunchroom.
<input type="checkbox"/>	Deliver communications via e-mail. E-mail marketing can be a cost-effective tool.
<input type="checkbox"/>	Get involved in your credit union league's image and awareness campaign. Reach out to past members. Optimize your website for search engines
<input type="checkbox"/>	Advertise on local radio; offer to provide financial advice on the air.
Local Outreach	
<input type="checkbox"/>	Join the local Chamber of Commerce, advertise in their publications and get involved in the community! Bring business cards and credit union brochures.
<input type="checkbox"/>	Develop partnerships with local non-profit or community organization. Offer to speak about your specialty at networking events.
<input type="checkbox"/>	Participate in credit union Youth Week held annually during April. Make financial education an ongoing service. Develop products that attract younger and ethnically diverse members
<input type="checkbox"/>	Have an Open House; send invitations to community organizations and local businesses.
<input type="checkbox"/>	Get involved in a well-respected local charity. Collect donations at the office.
Strengthen Relationships	
<input type="checkbox"/>	Thank you notes may be old fashioned but they are still appreciated; birthday, baby and wedding acknowledgements too.
<input type="checkbox"/>	Understand the expectations of Generation Y, Baby Boomers, Seniors and Generation X. Take a class in generational marketing.
<input type="checkbox"/>	Learn more with a member survey. Send welcome letters to new members.

Source: Illinois Credit Union League – Office of Small Credit Union Development

Tool 2 - Marketing Calendar

Source: Illinois Credit Union League – Office of Small Credit Union Development (modified by NCUA)

Month	Idea	Focus	Method	Budget
		Enter the theme of the campaign.	Enter method of marketing (flyers, lobby posters, newspaper/TV ads, etc.)	Enter budget for this marketing campaign
January	New year's resolution, #1 month for vacation planning, Super Bowl, Debt Consolidation	Example: 12+12=24 Debt consolidation loan special, \$12,000 @ 12percent for 24 months.	Example: <ul style="list-style-type: none"> December statement stuffer Lobby poster and flyers Workplace bulletin board flyers On-hold message 	Example: <ul style="list-style-type: none"> Statement stuffers \$75 Lobby poster and flyers \$125 Bulletin board flyers – \$0 Phone message \$0 TOTAL \$200
February	Valentine's Day, Love theme, Tax season starts, Black History Month, President's Day			
March	March Madness, Spring cleaning, St. Patrick's Day, Green theme, Spring break			
April	Youth Week, Easter, Tax payments, Baseball season starts, Earth Day, April Fool's Day			
May	Mother's Day, Cinco de Mayo, Memorial Day, Moving (Real Estate)			
June	School's Out, Vacation, Father's Day, First day of Summer, Graduation, Hit the road theme			
July	Independence day, Summer Fun, Hot rates theme			
August	Back to school, End of summer, Tuition theme			
September	Prices are "falling" theme, Labor Day, First day of Fall, NFL season starts			
October	Credit Union week, Halloween, Car buying season, Fall cleanup, Last Hurrah			
November	Holiday theme, Thanksgiving, NBA season starts, Winter activities, Veteran's Day, Election Day			
December	First day of winter, Christmas, End of Year, Hanukkah and other holiday themes.			

Tool 3 - Competition Matrix

Use the chart below to assess how your credit union measures up against your competitors. Note your competitive advantages or disadvantages in each area.

Factor	Our Credit Union	Competitor 1	Competitor 2	Competitor 3	Member Value
Website					
Financial Condition					
Products and Service					
Rates and Fees					
Quality					
Service					
Reputation					
Reliability					
Expertise					
Location					
Appearance					
Marketing					
Technology					

Tool 4 – Select Employee Group Contact Summary

_____ Credit Union

Location/SEG Name: _____

Number of Employees: _____

Contact: _____

Title: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ Email: _____

Website: _____

Date: _____ Follow-up date: _____

Notes: _____

Source: Business Development Tools - Debby Gearns, Business Development Coordinator, Detroit Edison Credit Union (modified by NCUA)

Tool 5 - Sample Sponsor Letter of Introduction

March 31, 2014

GMV Products Inc.
1960 June Street
Anytown, USA 12345

Dear Mr. Squire Watson:

I would like to introduce you to ABC Federal Credit Union. We opened our doors in 1960 to serve the employees of ABC Corporation, and over the years have been successful in enrolling twenty-two other local companies in our credit union. In addition, we serve anyone who lives, works or worships in Taylor County, Anytown, USA.

Credit union services are a wonderful no-cost employee benefit that everyone in your organization can enjoy!

The enclosed materials provide you with an overview of all of our products and services. You may also visit our website at www.ABCFCU.xxx for additional information.

I will contact you next week to answer any questions you may have or, if you like, to schedule a presentation for your decision-making team. If you have any questions, feel free to contact me at 123-456-7899.

Sincerely,

Marie Jackson
CEO, ABC FCU

Source: Illinois Credit Union League (modified by NCUA)

Tool 6 - Sample Sponsor Follow-Up Letter

March 31, 2014

Magdalene Enterprises
1991 April Street
Anytown, USA 12345

Dear Ms. Mary Watson:

Thank you for taking time out of your busy day to discuss ABC Federal Credit Union services. Enclosed you will find the informational package we discussed during our phone conversation. The package provides you with an overview of our products and services.

We would appreciate your consideration in permitting ABC Federal Credit Union to visit your facility, where we will bring the credit union to the employees. This opportunity will provide for open communication and easy access for employees to pick-up information, or establish a new account.

Should you have any questions, please feel free to contact me at 123-456-7899.

I appreciate your willingness to assist ABC Federal Credit Union in reaching your employees. After all, credit union membership is a wonderful no-cost employee benefit for all to enjoy!

Sincerely,

Marie Jackson
CEO, ABC FCU
Enclosures

Source: Business Development Tools - Debby Gearns, Business Development Coordinator, Detroit Edison Credit Union (modified by NCUA)

Tool 7 - Sample Sponsor Marketing Letter

March 31, 2014

Laflin Corporation
1931 July Street
Anytown, USA 12345

Dear Mr. George David:

In 1960, the Laflin Corporation became affiliated with ABC Federal Credit Union. Of course, we were pleased to be recognized as a valuable employee benefit.

We have continued to expand our products and services to meet our members ever changing needs. For your convenience, an informational package is enclosed for your review. Please feel free to share this package with other members of your staff. You may also wish to visit our website at www.ABCFCU.xxx.

Unfortunately, we have not been able to reach the appropriate person within your organization to discuss these services. By working together, we can determine the best way to communicate this no-cost employee benefit to your employees.

I will give you a call within the next few weeks to discuss how we can work with you and your organization to communicate this valuable employee benefit.

If you have any questions, please do not hesitate to contact me at 123-456-7899. I look forward to our continued relationship.

Sincerely,

Marie Jackson
CEO, ABC FCU
Enclosures

Source: Business Development Tools - Debby Gearns, Business Development Coordinator, Detroit Edison Credit Union (modified by NCUA)

Tool 8 - Marketing Plan Outline

Your marketing plan should be developed only after conducting thorough analysis of your credit union's member demographics, needs, local environment, and your credit union's mission, goals, complexity of operation, and resource availability.

Below is an outline showing some items that are generally included in a credit union marketing plan. Remember, an effective credit union marketing plan must be specifically tailored to the credit union for which it was developed.

Align with Your Credit Union's Business Plan

The written marketing plan should correlate with the credit union's mission and discuss the general marketing strategy management will adopt to meet the business and strategic plans. Provide supporting documentation as necessary to management.

Demographic Characteristics

Summarize key demographic information about your members and potential members (in whole numbers and as a percent of the field of membership) such as:

- Income level
- Gender
- Age
- Language spoken
- Education level

Many data processing systems have the capability to compile and report on member demographics. Check with your data processing vendor. Community chartered credit unions can also obtain demographic data about the community they serve from:

- Data provided by the U.S. Census Bureau (American Community Survey);
- Local studies of area economic trends; and
- Informational materials provided by local economic development organizations or governmental and quasi-governmental agencies

Strategy for Marketing to All Groups

Describe the unique needs of the various demographic groups in your current and potential membership and how management will market to each of these groups. This should include a discussion of specific strategies. If new products or services are planned, provide expected delivery dates. For example:

- English is the second language for 55 percent of our members with Spanish being their primary language. About 25 percent of our members speak only Spanish. To meet the needs of this demographic we will offer all marketing materials in Spanish as well as English beginning in January 2014.
- Eighty percent of our members are Hispanic. We will make public service announcements (PSA) on the Hispanic Television Network covering a different topic every month. At the conclusion of each PSA, we will advertise our credit union and offer an invitation for membership.
- Over 50 percent of our member are considered low-income and are in need of short-term, small amount loans in order to avoid the payday loan trap. Beginning in April 2014, we will market a new payday alternative loan product.

Community Based Organizations (For COMMUNITY-CHARTERED CREDIT UNIONS)

Summarize management's plans for reaching out to community based organizations to assist the credit union in its outreach efforts. This includes nonprofit organizations, churches, schools, and other groups that meet needs within the community. Indicate the steps needed to accomplish this outreach with specific references to the organizations or types of organizations that will be targeted. Below are examples of how to present a plan for outreach to several types of community based organizations:

- The credit union will form partnerships with local organizations devoted to combating poverty and will assist with financial literacy training to groups like the ABC Center for Economic Empowerment, the DEF Financial Literacy Counsel, and the Faith Based Community Assistance Coalition. We will schedule an educational event at each of these organizations at least quarterly.
- Management will establish and maintain a mobile branch presence at the Faith Based Community Assistance Coalition's headquarters. The program will begin as a pilot program during the first six months of 2014 and evolve into regularly scheduled visits during the second half of the year.
- The credit union will regularly offer educational seminars tailored to meet the financial needs of recent immigrants who only speak Spanish. The credit union's Community Outreach Coordinator will develop the program by June 2014 for implementation in September 2014.
- Management will increase visibility at events celebrating the cultures of demographic groups in the community, including the annual Asian Festival and Hispanic Heritage Fair, and other events as they occur.

Marketing Budget

The marketing plan must include a marketing budget indicating the type of communications channels that will be used (i.e. direct mail, radio, network television, cable television, and newspaper advertising), and how much will be spent on each medium. In addition, the marketing budget should indicate which demographic groups are the intended target audiences of each type of tactic (such as radio, cable television, and newspaper advertising) used. For example:

Newspaper Advertising

Demographic: All

1 st quarter Holiday Recovery Loan	\$250	
2 nd quarter Tax Time Loan Promo	\$250	
3 rd quarter Vacation & Back to School Loan Promos	\$250	
4 th quarter Christmas Club Incentive Promo	\$250	
TOTAL Newspaper Advertising Budget		\$1,000

Radio Advertising on the University station

Demographic: Current and potential members at the University

January 2014 – Spring Break-Away Loan Promo	\$500	
April 2014 – Credit Union Week		
Public Service Announcements	\$0	
April 2014 – ConGRADUATION Loan Promo	\$250	
TOTAL Radio Advertising Budget		\$750

Hispanic Television Station Advertising

Demographic: Current and potential Hispanic members

Monthly in 2014 – Public Service Announcements	\$0	
TOTAL Television Advertising		\$0

Direct Mail Campaign

Demographic: All

March 2014 – Membership Drive Announcement	\$50	
September 2014 – Membership Drive Announcement	\$50	
TOTAL Direct Mail Campaign		\$100

Other Educational/Promotional Expenses

Demographic: All

March 2014 – Membership Drive Incentives	\$250	
September 2014 – Membership Drive Incentives	\$250	
TOTAL Other Educational/Promo Expenses		\$500

Timetable for Implementing Marketing Plan

Provide an overview of management's timetable for implementation of key provisions of the marketing plan. This can be done in the form of a marketing calendar (See Tool 2 – Marketing Calendar.)